

FACT SHEET

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Focusing on Credit . . .

DO'S AND DON'TS OF CREDIT



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Do

- Make the biggest down payment you can. Then your other payments will be smaller. You will pay less "service charge" or "time price differential".
- Pay what you owe as soon as you can.
- Get a written agreement or contract that tells all you will have to pay.
- Understand what you sign.
- Shop around. Find out where you will pay the least for credit.
- Pay your bills when they are due.
- Use your credit wisely. *It is money.*

Don't

- Buy "on time" if you don't have to.
- Buy more than you need.
- Buy "on time" unless you know you will have enough money to make every payment.
- Buy things "on time" unless they are worth the extra cost.
- Buy on credit at stores that charge high credit cost.
- Borrow money from an illegal lender.

When you use credit:

- Shop around. Get the best deal you can.
- Know what your contract means before you sign.
- Follow the rules for a good credit rating.
- Let your creditors know if you can't pay. Do this before the payment is due.
- Don't ignore a bill. If you think the store has made a mistake, ask about it.

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